

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 758 - SB 1158

March 4, 2011

SUMMARY OF BILL: Exempts the following from mortgage lending licensure requirements: individuals who make five or fewer residential mortgage loans within any consecutive twelve-month period; individuals involved solely in commercial real estate lending or individuals providing financing on properties not intended to be owner occupied by the person receiving the financing; individuals who make a mortgage loan to an employee as an employee benefit, employment incentive, or relocation package; individuals doing any act related to mortgage loans pursuant to an order of any court of competent jurisdiction; and individuals who perform only real estate brokerage activities and are licensed pursuant to the Tennessee Real Estate Broker License Act of 1993. Requires the Secretary of State to deliver a copy of this act to the appropriate division of the United States Department of Housing and Urban Development (HUD).

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- Pursuant to Department Bulletin C-10-02, the Department of Financial Institutions currently considers individuals who make five or fewer residential mortgage loans within any twelve-month period exempt from mortgage lending licensure requirements.
- Expanding the current exemptions to include individuals involved solely in commercial real estate lending, individuals providing financing on properties not intended to be owner occupied, individuals who make mortgage loans to employees as an employee benefit, individuals doing any act related to mortgage loans pursuant to a court order, and licensed individuals who perform only real estate brokerage activities will not result in a significant decrease in mortgage lending licenses or regulatory activity of the Department.
- According to the Office of the Secretary of State, any expenditure associated with delivering a copy of this act to the appropriate division of HUD will be not significant and can be accommodated within existing resources without an increased appropriation or reduced reversion.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink, appearing to read "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director

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